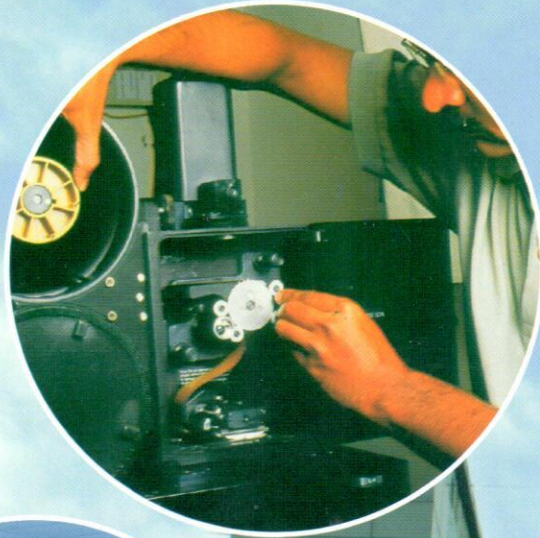


Bharatiya Global Infomedia Ltd.

(AN ISO 9001:2008 Company)

**17th Annual Report
2010-2011**



‘‘कर्मण्ये ँधिकारस्ते मा फलेषु कदाचन।
मां कर्मफलहेतुर्भूःमा ते सङ्गोस्त्वकर्मधि॥’’

BGIL Vision

‘‘To be the premier growth company by achieving its target by delivering unsurpassed value to BGIL customers & associates by providing Innovative & Technologically advanced Total Solutions and Services enhancing the safety, security, comfort and creative productivity of the overall environment around them.’’

BGIL Mission

‘‘BGIL’s mission is to use our extensive IT and IT-enabled services through its experience to deliver tangible business results enabling our clients in industry and government to profit from the advanced use of technology in our Product & Business Solutions and Services. We strive to build long-term client relationships based on mutual trust and respect.’’

BGIL Quality Policy

‘‘BGIL Team is always dedicated to provide the best of its overall services and is always motivated to satisfy its clients through the innovative ideas, products and overall services which meet the requirements of our clients every time.’’

Board of Directors

Mr. Rakesh Bhatia

Chairman & Managing Director

Mr. Sanjeev Kumar Mittal

Executive Director- Technical

Mrs. Arti Bhatia

Director

Mr. Sanjay Kapoor

Director

Mr. Harjit Singh Anand

Director

Mrs. Jaya Misra

Director

Mr. Anil Kumar Kapoor

Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kumar Pushkar

AUDITORS

M/s SNMG & Co

Chartered Accountants

E-35 LGF, Basement, Lajpat Nagar-III,

New Delhi-110024

BANKERS

Royal Bank of Scotland N.V.

REGISTERED OFFICE

623, 6th Floor, Devika Tower, 6

Nehru Place, New Delhi – 110019

CORPORATE OFFICE

B-60, Sector-57, Noida

Uttar Pradesh-201301

BRANCH OFFICE

801-804, Heritage Plaza,

Opp. Indian Oil Nagar,

J.P. Road, Andheri (W),

Mumbai-400053

REGISTRAR & SHARE TRANSFER AGENT

KARVY COMPUTERSHARE (P) LTD

Plot. No. 17-24, Vithalrao Nagar

Madhapur, Hyderabad - 500086

Andhra Pradesh

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Director's Report

Dear Members,

Your Directors have pleasure in presenting the Seventeenth Annual Report together with the audited Statements of Accounts for the financial year ended on 31st March, 2011.

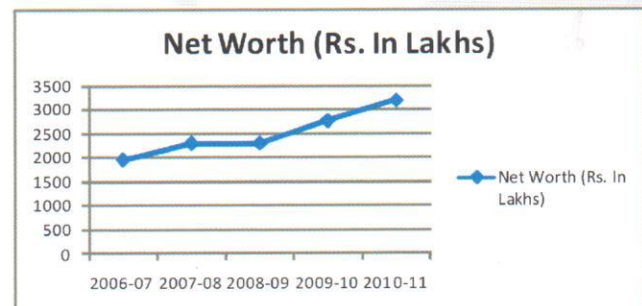
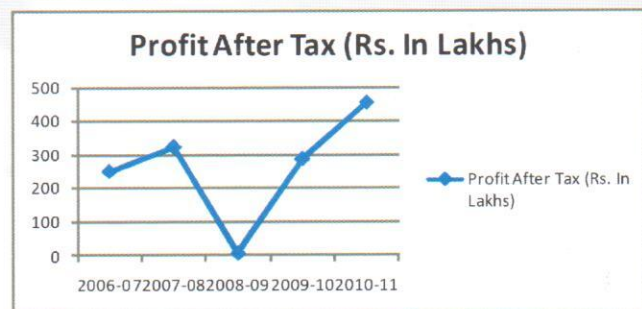
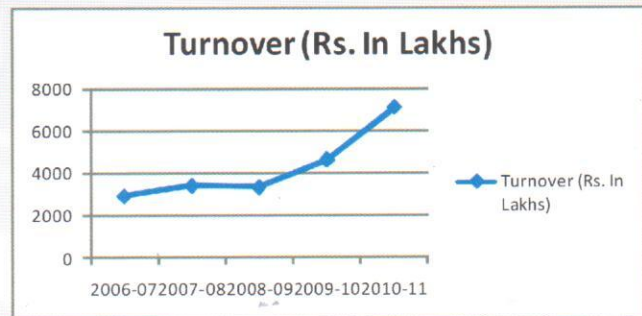
Financial Results

The Financial Results of the Company for the period under review are as summarized below. The previous figures in the Financial Statements have been regrouped, wherever necessary.

(Rs. In Lacs)

Particulars	For the Year ended 31st March 2011	For the Year Ended 31st March 2010
Income from operations	7096.32	4631.12
Other Income	4.31	5.59
Total Income	7100.63	4636.71
Total Expenditure	6415.92	4227.74
Profit before Tax	684.71	408.97
Less: Provision for taxation	137.28	84.33
Less: Deferred tax	84.61	46.15
Profit after tax	462.81	278.48
Amount available for appropriation	477.52	278.23
Add: Balance as per last Balance sheet	880.34	602.10
Surplus available	1357.86	880.34
Amount Transfer to General Reserve	135.78	0.00
Surplus carried to Balance Sheet	1222.07	880.34
Paid Up Equity Share Capital	912.31	684.23
Reserves & Surplus	2347.62	2098.18

The Board of Directors are pleased to state that during the year ended on 31st March 2011, the Company has made best use of the market forces and has taken advantage of the business opportunities that has come its way. During the financial year ending 31st March, 2011 under review, the total revenues increased to Rs. 7100.63 Lacs from Rs. 4636.71 Lacs in the previous financial year ended on 31st March 2010. The operating profit earned during the year is Rs. 684.71 Lacs and Profit after Tax is Rs. 462.81 Lacs against Rs. 408.97 & Rs.278.48 Lacs respectively as compared to last year. The improvement in performance of the Company may be attributed to greater focus on archiving operating efficiencies, cost containment and concentration of product with high margins.



OPERATIONS

BGIL's IT division have been rapidly expanding its presence across industry verticals, viz. Telecom, e-Governance, BFSI, Power, Media & Entertainment, Retail, Healthcare, Infrastructure, Railways, Education, Homeland security, Cooperative banks and Defense.

Our Media & Entertainment Division has a Digital Post Production Studio, known as BGIL Studio at Andheri (West),

Automatic Vehicle Counter-Cum Classifier System

Mumbai. It is an integrated end to end Film's Post Production and Visual Effects Services House. It offers services ranging from visual effects, digital film lab (digital intermediate, high-resolution film scanning and film recording) and editing and motion control to High Definition production.

The income from IT Division increased to Rs. 6,846.48 lakhs in FY 2010-11 from Rs. 4,361.87 lakhs in FY 2009-10. During FY 2010-11, we launched 11 new products—toll management system, canteen management system, asset tracking system, employee tracking system, parking management system, parking guidance system, smart campus system, visitor management system, intelligence mast controller system, file tracking system and laptop tracking system. During the same period, we also added a number of global system integrators as our customers who contributed to the increase in the income from operations. The income from Media & Entertainment Division in FY 2010-11 is Rs. 253.31 lakhs.

SHARE CAPITAL

Authorised Share Capital

During the year authorised share capital of the company increased from Rs.7,00,00,000/- (Rupees Seven Crore) divided into 70,00,000 (Seventy Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs.16,50,00,000 (Rupees Sixteen Crore Fifty Lacs) divided into Rs.1,65,00,000 (Rupees One Crore Sixty Five Lacs) by creation of 95,00,000 (Ninety Five Lacs) Equity Shares of Rs.10/- (Rupees Ten) each, and ranking pari-passu with existing equity shares of the company.

ISSUE OF BONUS SHARES

Bonus issue made by the Company as on 27.08.2010 in their Board Meeting of the Company of 22,80,777 (Twenty Two Lac Eighty Thousand Seven Hundred and Seventy Seven) Equity Shares of Rs. 10/-(Rupees Ten) each aggregating of Rs. 2,28,07,770/-(Two crore Twenty Eight Lac Seven Thousand Seven Hundred and Seventy Only). Pursuant to this, Paid-Up Capital of the Company has been increased to Rs. 9,12,31,100/- (Nine Crore Twelve Lac Thirty One Thousand One Hundred) consisting to 91,23,110 (Ninety One Lac Twenty Three Thousand One Hundred and Ten) Equity Shares of Rs. 10/-(Rupees Ten) each.

INITIAL PUBLIC OFFER

Company has received the SEBI Final observation vide its letter no CFD/DIL/Bharatiya/12409/2011 dated April 13, 2011 with reference to the draft offer document filed with SEBI and further process related to Public issue is going on in accordance with the Companies Act, 1956 and SEBI (ICDR) Regulations, 2009.

DIVIDEND

Keeping in view the expansion plans of the Company, the Board of Directors of the Company have not recommended dividend on equity shares for the year ended March 31, 2011.

CHANGE OF SITUATION OF REGISTERED OFFICE WITHIN SAME CITY

The registered office of the Company has been changed from, 601, 6th Floor, 6 Devika Tower, Nehru Place, New Delhi- 110019 to 623, 6th Floor, 6 Devika Tower, Nehru Place, New Delhi- 110019 w.e.f. August 12, 2010 for operational convenience.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public during the period under reference.

APPOINTMENT OF NEW DIRECTORS

Mr. Sanjay Kapoor, Mr. Harjit Singh Anand, Mr. Anil Kapoor and Mrs. Jaya Misra appointed as a Additional Director w.e.f. 1st September 2010 shall be retire by rotation subject to confirmation as a Director in the ensuing Annual General Meeting.

COMPANY SECRETARY

During the year under review, Mr. Kumar Pushkar is appointed by the Board of Directors as Company Secretary of the Company w.e.f 21st August, 2010 in place of Mr. Rakesh Bhatia, who resigned as a Company Secretary of the Company w.e.f. 21st August, 2010.

AUDITORS REPORT

The observation made by the Auditors in their report is self explanatory and does not require any clarification.

AUDITORS

M/s SNMG & Co., Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment as the Auditors of the Company. The Company received confirmation that their appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meeting of Section 226 (3) of the Companies Act, 1956, for such re-appointment.

PARTICULARS OF EMPLOYEES

There is no employees whose particulars are required to be given in the terms of provisions of Section 217(2A) of the



License Plate Recognition System

Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF TECHNOLOGY AND ABSORPTION

Since the Company does not own any manufacturing facility, the provision of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Director) Rules 1988, are not applicable.

FOREIGN EXCHANGE EARNINGS & OUTGO

There is a foreign outflow during the financial year 2010-11 is Rs. 1292240.

DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT 1956:

The Board of Directors hereby confirms that:

1. In the preparation of the Annual Accounts all the applicable accounting standards has been followed along with proper explanations relating to material departures.
2. Your Director has selected the accounting policies, which are in the best interest of the Company and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of State of Affairs of the Company

and of the Profit of the Company for the Financial Year 2010-2011.

3. Your Directors had taken proper and sufficient care for the maintenance of adequate Accounting records for the year ended 31st March, 2011 in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
4. Yours Directors had prepared Annual Accounts for the Year 2010-2011 on the Going Concern basis.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the wholehearted cooperation received from the customers and the Bankers of the Company and for the value advice and supported received from the other business Associates.

The Directors also wish to thank all the employees at all the levels of their services.

By the Order of the Board
For **Bharatiya Global Infomedia Limited**

Place : New Delhi
Date : 03/06/2011

Sd/-
Rakesh Bhatia
(Chairman-cum-Mg. Director)

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Bharatiya Global Infomedia Limited (BGIL) believes in Good Corporate Governance, which results in corporate excellence by practicing and attaining maximum level of transparency, disclosure, accountability and equity in all interaction with its stakeholders. Corporate Governance envisages disclosure on various facets of the Company's operations to achieve corporate excellence.

The Company's Corporate Governance policies recognize the Company's Commitment to good and efficient Corporate Governance. The Board of Directors, the highest policymaking body, is committed in its responsibility for all decisions to all constituents, including investors, employees and regulatory authorities. Transparency and accountability are the fundamental principles to good Corporate Governance. Corporate Governance assumes a significant role in the business life of BGIL. The driving forces of Corporate Governance at BGIL are its core values-belief in people,

Entrepreneurship, Customer Orientation & the Pursuit of excellence. The Company recognizes that the shareholders are ultimately the persons who are catalyst to the economic activities and also the ultimate beneficiaries thereof.

2. BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

The Company is managed by highly experienced professionals. All directors are suitably qualified, experienced and competent. During the period under review at present the Board of Bharatiya Global Infomedia Limited consists of seven members out of which four directors Mr. Sanjay Kapoor, Mr. Anil Kumar Kapoor, Mr. Harjit Singh Anand, Ms. Jaya Misra initially appointed as an Additional Director's of the Company, proposing their candidature by the members of the company for the office of Director and the given proposal will be placed before the Shareholders for approval in the ensuing Annual General Meeting.

The List of Directors of the Company is as under:

Sr. No.	Name of the Director	Designation	Status of the Director
1	Mr. Rakesh Bhatia (appointed w.e.f. 23.03.2004)	Chairman & Managing Director	Executive Director
2	Mr. Sanjeev Kumar Mittal (appointed w.e.f. 28.02.2009)	Executive Director-Technical	Executive Director
3	Mrs. Arti Bhatia (appointed w.e.f. 20.04.2004)	Director	Non Executive Non Independent Director
4.	Mr. Harjit Singh Anand (appointed w.e.f. 01.09.2010)	Director	Non-Executive Independent Director
5.	Ms. Jaya Misra (appointed w.e.f. 01.09.2010)	Director	Non-Executive Independent Director
6.	Mr. Sanjay Kapoor (appointed w.e.f. 01.09.2010)	Director	Non Executive Independent director
7.	Mr. Anil Kumar Kapoor (appointed w.e.f. 01.09.2010)	Director	Non Executive Independent director

Brief Resume of the Directors to be appointed/re-appointed:

Mr. Rakesh Bhatia

Mr. Rakesh Bhatia, aged 50 years has more than 20 years experience in Corporate Law & Finance, Information Technology, Investment Banking and activities relating to Media & Entertainment. He is M.Com, Fellow Member of

The Institute of Companies Secretaries of India and Fellow Member of All India Management Association. He is the Chairman of the Company and also the Managing Director of M/s Bharatiya Global Infomedia Limited. He successfully promoted various companies, M/s Vishes Infotecnics Ltd and M/s Bharatiya Global Infomedia Limited, demonstrated ability to collaborate with all levels of management to address strategic business challenges including shaping

business strategy, acquisitions, divestitures, change management, recruitment, training and strategic business planning and thrives even in dynamic, challenging environments with a great deal of uncertainty and challenges.

Mrs. Arti Bhatia

Mrs. Arti Bhatia, aged 44 years is a Bachelor in Arts & Sociology from Kota Open University, Rajasthan. She is a Promoter Director (Non-Executive) of our Company. She has overall experience of 17 years in the field of HR management and administration.

Mr. Sanjay Kapoor

Mr. Sanjay Kapoor, aged 50 years is a commerce graduate and a fellow member (FCA) of the Institute of Chartered Accountants of India (I.C.A.I) and possesses over 21 years of Experience in Corporate Accounting & Finance, Information Technology, Investment Banking and Taxation. During this total 20years of experience he has been promoting various Companies. He has been a practicing Chartered Accountant since 1988.

Mr. Harjit Singh Anand

Mr. Harjit Singh Anand, aged 45 years is PHD in international Business Management from Canterbury UK. He is Chairman of MRCC Human Rights Departments, Director in Abhinav Sahakari Corporative Bank, Vice President of Trans Asia Chamber of Commerce & Industry, member of Indian Merchant Chamber of Commerce & Industry, nad owner & Chief Editor of Human Rights, Mumbai and Das Times.

Mr. Sanjeev Kumar Mittal

Mr. Sanjeev Kumar Mittal, aged 48 years has done B.Tech from Aligarh Muslim University and has 18 years of experience in the fields of system design, frontline sales, dealers' training, installation, commissioning and customer support in various sector viz. IT, telecom, electronic safety, security and building automation industry. He had experience of working with NALCO, Godrej & Boyce, India Telecom Ltd., Intecon India Limited, RBH India Private Limited before joining our Company at various positions. Presently he is involved in our Company and looking after Information Technology (IT) related.

Ms. Jaya Misra

Ms. Jaya Misra, aged 48 years has done post-graduate diploma course from the Institute of Productivity and Management, Lucknow, India and has also done advanced

training in Personnel Management from Carl Duisberg Gesellschaft, Germany. She has more than 25 Years of working experience, out of which 10 years of experience in the field of marketing, human resources, training & consulting. During her professional tenure, she worked with companies like NIS Sparta Ltd. And also associated with Hewitt Associates, a North American HR Consulting Firm. She is the Head of Credence Global an HR consulting firm and training firm. In addition, she is also the Managing Director of South Asia of Global Exec Logistic Consulting Group (firm).

Mr. Anil Kumar Kapoor

Mr. Anil Kumar Kapoor, aged 58 years, an NRI, is Master in Business Administration from Northeastern University, Boston; Master of Science in Engineering from University of Lowell and Graduate Science in Engineering from University of Roorkee. He has more than 25 years of technical management experience. He has knowledge in technology and software development to collaborate with all levels of management to address strategic business challenges including shaping business strategy, acquisitions, divestitures, change management, recruitment, training and strategic business planning.

BOARD MEETINGS AND ATTENDANCE

Eight Board meetings were held during the period under review i.e for the year ended 31st March, 2011. The Board regularly met to consider amongst other business matters, the quarterly performance of the Company, financial results & other ongoing activities. Directors attending the meeting actively participated in the deliberations at these meetings.

Agenda for the Board Meeting is sent to the Directors sufficiently in advance to allow them to examine and interact on the issues involved.

During the period under review, the date on which Board meetings were held are as follows:

Sr. No	Date of Meeting
1	25.05.2010
2	23.06.2010
3	12.08.2010
4	21.08.2010
5	01.09.2010
6	06.11.2010
7	23.12.2010
8	02.02.2011

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETING AND LAST ANNUAL GENERAL MEETING (AGM) AND NUMBER OF COMPANIES WHERE HE IS DIRECTOR/MEMBER (AS ON THE DATE OF DIRECTOR'S REPORT)

Name of the Directors	No. of Board meetings attended (1st April 2010 to 31st March 2011)	Attendance at the last AGM held on 27.08.2010	No. Of Memberships in Boards of other Companies*	No. of Membership in other Board/ Committees held in other Companies**	
				Chairman	Director
Mr. Rakesh Bhatia	8	Yes	1	Nil	3
Mr. Sanjay Kapoor	3	No	1	2	1
Mrs. Arti Bhatia	8	Yes	Nil	Nil	Nil
Mr. Sanjeev Kumar Mittal	8	Yes	Nil	Nil	Nil
Mr. Anil Kumar Kapoor	0	No	Nil	Nil	Nil
Mr. Harjit Singh Anand	0	No	Nil	Nil	Nil
Ms. Jaya Misra	5	No	Nil	Nil	Nil

* Directorship in Private Companies, Companies incorporated outside India is excluded for this purpose.

** Represents Memberships/Chairmanship in Audit Committee and Shareholders'/Investors' Grievance Committee in Public Limited Companies

3. AUDIT COMMITTEE

To provide assistance to the Board of Directors of the Company the Audit Committee was constituted. It consists of five members including Chairman. The Committee was re-constituted and now headed by Mr. Sanjay Kapoor. The Audit Committee provides direction to and oversees the audit and risk management functions, reviews the financial accounts, interact with statutory auditors and reviews matters of special interest.

Composition, Name of Members, Chairman and other details

This Committee consists of Five members i.e.

Name	Designation
Mr. Sanjay Kapoor	Chairman
Ms. Jaya Misra	Member
Mr. Harjit Singh Anand	Member
Mr. Sanjeev Kumar Mittal	Member
Ms. Rakesh Bhatia	Member

During the period under review, the Audit Committee met four times. The meetings were attended by all the members of the committee. The Company Secretary acts as the Secretary of the Committee.

4. REMUNERATION COMMITTEE

The Remuneration Committee is headed by Ms. Jaya Misra as the chairman of the Committee. The Remuneration Committee was constituted to

recommend and review remuneration package of Directors and Senior Executives and to present report to the Board on remuneration package of Directors and Senior Management Officials.

The Remuneration Committee of the company comprises of three members:

Name	Designation
Ms. Jaya Misra	Chairman
Mr. Sanjay Kapoor	Member
Mr. Harjit Singh Anand	Member

During the period under review, the Committee met four times. All the members of the committee attended the meeting. As on date there are no directors who are drawing remuneration from the Company.

5. SHARE TRANSFER & SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

The Share Transfer & Shareholders/ Investors Grievance Committee provides assistance to the Board of Directors in ensuring that the transfer of shares takes place within the stipulated period. The Share Transfer Committee was constituted and it is headed by Ms. Jaya Misra, to look after all matters pertaining to share transfers, transmissions, issuance of duplicate shares, transpositions & also to provide the shareholders of the company with additional assurance that sufficient information is being provided to enable them to form a reasoned opinion on the working of the company & to ensure speedy redressal of their grievances pertaining

to share related issues.

The Committee comprises of three Directors

Name	Designation
Ms. Jaya Misra	Chairman
Mr. Sanjeev Kumar Mittal	Member
Mr. Rakesh Bhatia	Member

During the period under review, the Committee met four times. The meetings were attended by all the members of the committee. Shareholders queries/ Complaints received during the period under review

- * No. of valid complaint received as on 31.03.2011 : Nil
- * No. of queries/ Valid complaints pending/ Unsettled as on 31.03.2011 : Nil

6. CODE OF CONDUCT

The Board has laid down a code of conduct for all Board Members and senior management of the Company. The code of conduct is available on the website of the Company. All Board members and senior management personnel have affirmed the compliance with the code of conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

7. GENERAL BODY MEETING

Details of Annual General Meeting (AGM) for the last Three Years:

Description of Meeting	Date	Venue	Time	No. of Special resolution passed
14th AGM	29.09.2008	601, 6th Floor, Devika Tower, 6, Nehru Place, New Delhi-110019	11.00 A.M.	1
15th AGM	30.09.2009	601, 6th Floor, Devika Tower, 6, Nehru Place, New Delhi-110019	10:30 A.M.	1
16th AGM	27.08.2010	623, 6th Floor, Devika Tower, 6, Nehru Place, New Delhi-110019	10:30 A.M.	6

8. DISCLOSURES

- (i) Related parties & transaction with them as required under Accounting Standard 18 (AS- 18) are furnished as Item No.7 of Part B of Schedule 16 relating to Significant & Accounting Policies and Notes on Accounts attached to & forming part of Balance Sheet & Profit & Loss Account for the period ended 31.03.2011
- (ii) There have been no major instances of non-compliance by the Company on any matters related to the Capital Markets nor have any penalty/ strictures been imposed on the Company by any statutory authority on such matters.
- (iii) The Company's financial statements are prepared as per Accounting Standards and the accounting principles generally accepted in India.
- (iv) There is no pecuniary relationship or transaction with Independent/Non executive Director.
None of transactions with any of related parties were in conflict with the interest of the Company.

9. CEO CERTIFICATION

The CEO has signed a certificate accepting responsibility

for the financial statement and confirming the effectiveness of the internal control systems, as required in Clause 49 of the Listing Agreement with the Stock Exchanges which is given separately herewith.

10. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from the auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the Listing Agreement with Stock Exchange which is attached herewith.

(a) Financial Calender:

Financial Year : 1st April 2010 to 31st March 2011

(b) Date of Book Closure

From 29th June 2011 to 30th June 2011 (both days inclusive) for the purpose of Annual General Meeting.

(c) Capital Structure

The shareholding pattern of the Company as on 31.03.2011 is as follows:

Canteen Management System ©

Category	No. of shares held	Percentage of Shareholding
A Promoter's Group		
Promoter & Promoter Group		
- Indian Promoters	80,88,958	88.66
- Foreign Promoters	—	—
Sub - Total	80,88,958	88.66
B Non-Promoter's Holding		
Institutional Investors		
a. Mutual Funds and UTI	Nil	Nil
b. Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non-government Institutions)	Nil	Nil
c. FII's	Nil	Nil
Sub - Total	Nil	Nil
C. Others		
a. Bodies Corporate	3,65,557	4.01
b. Indian Public (Individuals)	6,68,595	7.33
c. NRIs/OCBs	Nil	Nil
d. Any other (Please specify)	Nil	Nil
Sub-Total	10,34,152	11.34
GRAND TOTAL	91,23,110	100.00

(e) Registered office

623, 6th Floor, Devika Tower, 6
Nehru Place, New Delhi-110019

(f) Branch Office

801-804, Heritage Plaza, Opp. Indian Oil Nagar,
JP Road, Andheri (W), Mumbai-400053

(g) Registrar and Share Transfer Agent

KARVY COMPUTERSHARE (P) LTD.
Plot. No. 17-24, Vithalrao Nagar, Madhapur,
Hyderabad - 500086, Andhra Pradesh

(h) Share Transfer System

The company has appointed M/s Karvy Computershare (P) Limited as its share Transfer Agent w.e.f. 7th September 2010; The Company has entrusted the administrative work of share transfers, transmissions, issuance of duplicate certificates etc., and all tasks related to shareholdings to Karvy Computer Share (P) Ltd, the Registrars and Share Transfer Agents.

(i) Address for correspondence

	Company	Registrar and Share Transfer Agent
Contact Person	Mr. Kumar Pushkar Company Secretary	Mr. Murali Krishna
Address	623, 6th Floor, Devika Tower, 6 Nehru Place, New Delhi- 110019 B-60, Sector 57, NOIDA-201301	M/s Karvy Computershare (P) Ltd. Plot No. 17-24, Vithalrao Nagar Madhapur, Hyderabad-500 086, Andhra Pradesh.
Phone	0120-4227792	40-23420815-820
Fax	0120-4227791	
E-mail	kumar.pushkar@bgilinfo.com	E-mail: mailmanager@karvy.com

By the Order of the Board
For Bharatiya Global Infomedia Limited

Sd/-

Rakesh Bhatia

Chairman & Managing Director

CEO Certification

I, Arpan Talwar, C.E.O. Certify that:

- (a) I have reviewed financial statement for the period ended 31.03.2011 and that to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transaction entered into by the company during the period which is fraudulent, illegal or violative of the company's code of conduct.
- (c) Further, I accept responsibility for establishing and maintaining internal controls for financial reporting and Accordingly, I have evaluated the effectiveness of the internal control systems of the company.
- (d) I have disclosed to the auditors and the Audit committee, wherever applicable:
 - i. Deficiencies in the design or operation of the internal controls, if any of which I am aware and the steps have been taken or propose to take rectify these deficiencies;
 - ii. Significant changes in the internal control over the financial reporting during the period;
 - iii. Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
 - iv. Instances of significant fraud of which I became aware and involvement therein, if any, of the management or an employee having a significant in the Company's internal control system.

For **Bharatiya Global Infomedia Limited**

Sd/-

Arpan Talwar

C.E.O.

Place : New Delhi

Date : 03rd June, 2011

Auditors' Certificate on Corporate Governance

To,

The Members of

Bharatiya Global Infomedia Ltd.

We have examined the compliance of conditions of Corporate Governance by Bharatiya Global Infomedia Ltd. ("The Company") for the period ended on 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SNMG & Co.**

Chartered Accountants

(Firm No. 004921N)

Sd/-

(NEERAJ GUPTA)

Partner

Membership No. 87004

Place : New Delhi

Dated : 03rd June, 2011

Management Discussion & Analysis Report

(As per Clause 49 of the Listing Agreement)

FORWARD LOOKING STATEMENTS

The financial statements of the Company have been prepared in compliance with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principals (GAAP) in India. The management of the Company accepts the responsibility for the objectivity and integrity of these financial statements as well as, for various estimates and judgments used therein. The statement have been made on a prudent and reasonable basis, so that financial statements reflect in a true and fair manner, the form and substances of transactions and reasonably present the Company's state of affairs of the Company.

BUSINESS REVIEW

Over the past decade, the Indian IT-BPO sector has become the country's premier growth engine, crossing significant milestones in terms of revenue growth, employment generation and value creation, in addition to becoming the global brand ambassador for India. However, the industry performance was affected by the recessionary headwinds as the clients cut their IT budgets, cancelled deals, delayed payments and deals, went bankrupt while others renegotiated pricing, looking for severe pricing cuts and stretching the dollar. Year 2009 was instrumental for more ways than one for the industry. While the industry displayed tenacity and resilience, it also commenced its journey to achieve its aspirations in view of the altered landscape. It commenced working on its agenda to diversify beyond core offerings and markets through new business and pricing models, specializes to provide end-to-end service offerings with deeper penetration across verticals transform the process delivery through re-engineering and enabling technology, innovate through research and development and drive inclusive growth in India by developing targeted solutions for the domestic market.

FUTURE OUTLOOK

The underlying theme of 2010 has been the steady recovery from recession. Worldwide GDP, which had declined by 0.6 percent in 2009, grew 5 percent in 2010 and is expected to stabilised at about 4.4 percent in 2011. Developing nations continue to grow faster than the developed countries by atleast three times. IT spend is directly linked to growth in GDP and in line with this trend. IT spend in 2011 is expected to grow nearly 4 percent. Worldwide IT spending will also benefit from the accelerated recovery in emerging markets, which will generate more than half of all new IT spending worldwide in 2011. In 2011, growth will reflect new demand for IT goods and services, not pent-up demand from prior

years. 2011 will also see a major surge in the use of private and public cloud and mobile computing on a variety of devices and through a range of new applications.

OUR BUSINESS

The company focussing on the sectors such as Information Technology security and compliance automation software solutions and technology related to media & entertainment industry with focus on Research & Development.

Current business operations consist of Information Technology Based Solutions-RFID & Smart Card and Digital Post Production Studio (Digital Post-Production Studio at Andheri West, Mumbai namely "BGIL Studio"). We have in-house developed software ERP product, customized software development, training, consultancy, trading, animation and RFID based solution. We develop small animated capsules for various projects of the clients. We also design & develop WAP enabled products for clients and mainly focus on building RFID technology. We have received ISO9001:2008 certificate of compliance in respect of IT based safety security and automation products/solutions.

The Company provide different kind of client based solutions which are as under;

- **Traffic Engineering** includes Parking Management System, Parking Guidance System, Toll Management System, Automatic Vehicle Counter-cum-Classifer System, License Plate recognition System, Vehicle Surveillance System etc.
- **Facility Management** includes Smart Campus System, Visitor Management System, Canteen Management System, Asset Tracking System, Laptop Tracking System, File Tracking System, Lighting Management System, CCTV (Access Control, Perimeter Fencing) etc.
- **Personnel Management** includes Employee Tracking System, Time-Attendance System, Library Automation & Management System, and Student Information System etc.
- **Custom solutions** includes Automated Binning System, BGIL's Intelligent Converters, GSM based Mast or I/O Controllers, GSM Logic Controller, Boom Barriers, Loop Detectors, LED Panels (single/multi line), other customizable Converters, Counters and Ticket Dispenser etc.

Our main Product Components include Boom Barrier, RFID System (Readers, Antennas, Tags), Spike Busters, Boom Barriers, Controllers (in house developed), Loop Detectors, Ultra Sonic Sensors, Ticket Dispensers, LED Signal Lights, LED Displays, Under Vehicle Surveillance System, Ticket Printers, Barcode Readers, Face Tracking Camera, AVCC (Automatic

Vehicle Counter Cum Classifier), BGIL Parking Management Software, Computer Server and Clients Machine, Kiosk cabinets/Mini Embedded PC, Microsoft & Open Source Programming Platform, Handheld Devices etc.

Some of our key products are:

RFID Based Parking Management System

BGIL's PMS is a system and method for managing a permit-based parking environment governed by a parking program. The permit-based parking environment includes a number of parking permits each including a unique tag and tag number. One or more readers are used to scan the vehicles parked in the parking environment to determine if a tag is associated with the parked vehicle. The results of the scan along with information related to the parked vehicle are provided to a permit management system to determine if the vehicle is parked within the scope of privileges pre-defined for that vehicle, pursuant to the parking program governing the parking environment. The permit management system stores, manages, and monitors data related to the permits controlled under the parking program.



Non stop parking access control systems eliminate employees need to fumble for change, swipe cards or punch numbers in a keypad. Vehicles can move smoothly through controlled entrances. There are no cards to read, tickets to read and sort, and the whole system is a convenient, hands-free way to ensure easy vehicle parking.

RFID based Asset Tracking System

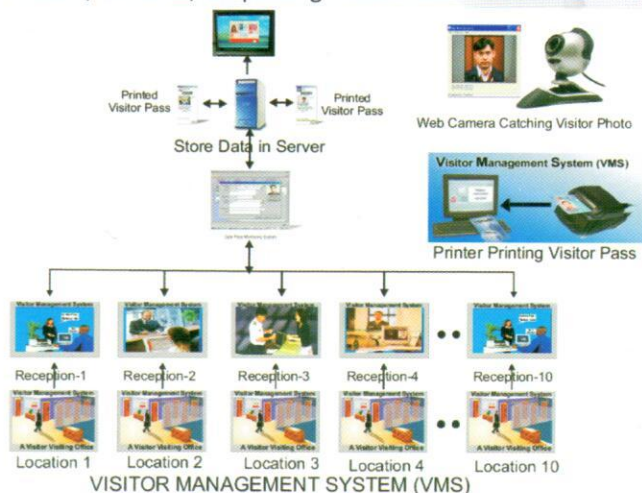
Asset Tracking System may be defined as the Monitoring of Laptops of an organization to avoid a loss of profits, due to, misuse of information, theft of both hardware and software, breakdowns etc.

This RFID Chip is Embedded in the Laptop with the Serial Number (Eg: MK23908) saved in the same.



Visitors Management System

Visitor Management System is designed to promote the security of a community. This system may be used for gated communities and communities who place restrictions on visitors, vehicles, or parking. BGIL's VMS streamlines the



movement of visitors in the organization; access control for visitors; security alert in case visitor is hanging around after meeting.

Canteen Management System

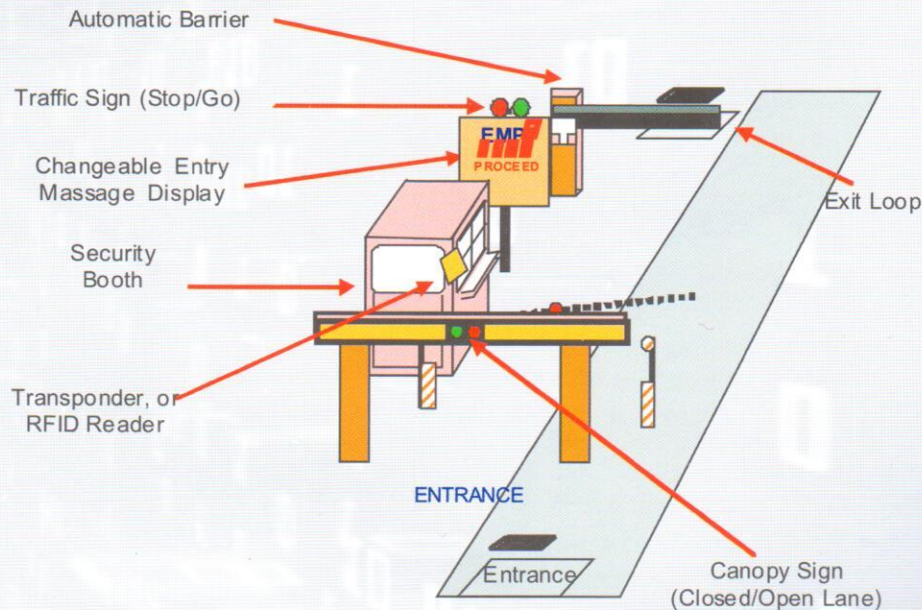
The objective of the system is to automate all the activities of the canteen right from purchases to delivery of food/beverage items. The system maintains a detailed account of all provisions bought and food served at the canteen. In addition to this, it maintains the daily expenses incurred by the staff. The system provides an interface to payroll for deductions. Several inquiry facilities provided to view the expenses incurred/ planned menus/cash payment etc.

Lighting Management System



Toll Management System

Toll management system is the use of various technologies to allow the manual in-lane toll collection process to be automated in such a way that customers do not have to stop and pay cash at a toll booth. With Toll management system, an actual toll plaza is not even a requirement to collect tolls. The Toll management system equipment can be mounted on overhead gantries and/or in the pavement which allows vehicles to be charged while they proceed at highway speeds.



Approach to marketing and proposed marketing set-up

Company's growth in recent years has been driven by new client acquisitions as well as an increase in revenues from our existing clients. Our senior management are actively involved in managing client relationships and business development through targeted interaction with multiple contacts at different levels in the client organization. We have marketing office at Noida and Mumbai. Our marketing initiatives include participating in major industry events, sponsoring user group events, analyst briefings and proactively using the media and press to increase awareness of our activities.

We intend to grow and strengthen our technology alliances with leading technology companies which will assist us in sales and delivery. These alliances typically involve systems integration, joint product development and joint "go to market" strategies. Currently, our Company is working for various technology companies viz. Honeywell Automation India Limited, Johnson & Controls India Private Limited, Siemens Building Technologies Private Limited, HCL Infosystems Limited, Schneider Electric India Private Limited for their RFID and smart card services. We endeavour to grow and strengthen above technology



Smart Campus System

alliances with these companies as well as to add to new companies in future to expand our business operations.

Intellectual Property Rights

Our Company has following registered copyrights:

Registration No./ Date	Class & Description	Title	Authority
SW-4466/2010/Registered on April 8, 2010.	Software	BGIL Toll Management Systems	Copyright Office
SW-4467/2010/Registered on April 8, 2010.	Software	BGIL Canteen Management System	Copyright Office
SW-4468/2010/Registered on April 8, 2010.	Software	BGIL Ticket Dispensing System	Copyright Office
SW-4469/2010/Registered on April 8, 2010.	Software	BGIL Tokenless Two Factor Authentication System	Copyright Office
SW-4470/2010/Registered on April 8, 2010.	Software	BGIL Asset Tracking System	Copyright Office
SW-4471/2010/Registered on April 8, 2010.	Software	BGIL Employee Tracking System	Copyright Office
SW-4472/2010/Registered on April 8, 2010.	Software	BGIL Automatic Number Plate Recognition System	Copyright Office
SW-4473/2010/Registered on April 8, 2010.	Software	BGIL Parking Management System	Copyright Office

Further, we have applied to Copyright Office, Delhi for the registration of following Intellectual Properties Rights:

Application Date	Class & Description	Title	Status
August 25, 2010	Computer Programming	BGIL Smart Campus System	Pending
August 25, 2010	Computer Programming	BGIL Parking Guidance System	Pending
August 25, 2010	Computer Programming	BGIL Laptop Tracking System	Pending
August 25, 2010	Computer Programming	BGIL Intelligent Mast Controller	Pending
August 25, 2010	Computer Programming	BGIL File Tracking System	Pending
August 25, 2010	Computer Programming	BGIL Visitor Management System	Pending
September 23, 2010	Literary Work	BGIL website	Pending

INTERNAL CONTROL SYSTEM

The Company remains committed to maintain internal control systems and procedures designed to provide reasonable assurance for orderly and efficient conduct of business and security of its assets and for preventing their unauthorized use or disposition and detecting frauds or irregularities, if any. The Company has laid enormous significance to develop internal control systems relating to all aspects of the business and has well-documented Operational Plans & Policies which are key to any organization for operational efficiency at all levels. The internal Control system are designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

INDUSTRIAL RELATION/HUMAN RESOURCE MANAGEMENT

Industrial relations remained cordial and harmonious during the period under review.

RISK AND MANAGEMENT PERCEPTION

The Company faces general risk inherent in any business including political, legal, geographical, economical,

environmental etc. and takes appropriate steps to mitigate them and reduce their impact to the extent possible. The Company has continued its drive towards stringent cost cutting measure and adopted continuous review of its activities.

STATUTORY COMPLIANCE

As the Company is proposing new initiatives, therefore, the management is in the process to comply all statutory requirements of the Companies Act, 1956 and other applicable laws, Rules & Regulations. The company has always strived towards compliance of all statutory requirements.

FINANCIAL MANAGEMENT

The management has new vision & style relating to financial aspect & managing funds. Therefore, the management is making plan to control & enhance the business, financial strength of the Company. The Company has a financial management information system in place, which involves preparation of a detailed business plan for the current year & next year. These are reviewed and amended every year.

Auditors' Report

To the Members of
BHARATIYA GLOBAL INFOMEDIA LIMITED

We have audited the attached Balance Sheet of **BHARATIYA GLOBAL INFOMEDIA LIMITED** as at 31st March 2011 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and report thereto:
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the company, as we considered appropriate, and in terms of the information and explanations given to us, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable to the company.
3. Further to our comments in annexure referred to in paragraph (3) above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, the company as required by law, has kept proper books of account so far as appears from our examination of such books.

- (c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report, comply with the Accounting Standards referred in sub – section 3(C) of section 211 of the companies Act, 1956.
- (e) On the basis of written representations received from the directors as on 31.03.2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2011 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said statements of accounts subject to investment in BGIL films & technologies Ltd .not being in the name of the company as detailed in note no. 12 of Notes on Accounts (Schedule No. 16) and Non-provision of retirement benefits as detailed in Note no. 13 of Notes on accounts (Schedule No. 16) together with the other notes, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - i) In the case of Balance Sheet, of the state of affairs of the company as at 31ST March 2011 and
 - ii) In the case of Profit and Loss Account, of the profit for the year ended on that date.

For **SNMG & CO.**
Chartered Accountants
(Firm No. 004921N)
Sd/-
(Neeraj Gupta)
Partner
(M. No. 087004)

Place : New Delhi
Dated : 30.05.2011

Vehicle Surveillance System

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date,

- (i) (a) The company has generally maintained proper records showing particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the Fixed Assets are physically verified by the management at reasonable intervals in a phased verification programme, which in our opinion, is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any part of its Fixed Assets so as to affect its going concern.
- (ii) (a) The inventory has been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.
- (B) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) (a) According to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties, covered in the register maintained under section 301 of the Companies Act, 1956 except Rs. 2,34,64,831/- taken from parties as unsecured loans and Rs. 59,27,956/- as secured loans. The Company is not regular in repayment of these loans. In respect of some unsecured loans obtained from parties other than banks/financial institutions, there are no specific terms and conditions as to the repayment of these loans. In the absence of any terms and conditions regarding repayment of these unsecured loans, we are unable to comment whether the same are prima facie prejudicial to the interest of the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in internal controls.
- (v) (a) On the basis of the audit procedures performed by us and according to the information, explanations and representations given to us, we are of the opinion that, the transactions in which directors were interested as contemplated under section 297 and sub-section (6) of section 299 of the Companies Act, 1956, and which were required to be entered in the register maintained under section 301 of the Companies Act, 1956, have so entered.
- (b) According to the information and explanations given to us, transactions exceeding the value of Rs. 5,00,000/- have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposits as defined under sections 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, maintenance of cost records have not been prescribed by the Central Govt. under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) According to the records of the company, in our opinion the company is not regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and any other statutory dues applicable to it.
- (b) According to the information and explanations given to us, there are no undisputed amount payable in respect of income tax, sales tax, customs duty, wealth tax and excise duty were outstanding as on 31st March 2011 for a period of more than six months from the date becoming payable except the following:

Name of the Statute	Nature of Dues	Amount in Lacs	Period to which the amount relates	Date of Payment
Service Tax Act	Interest on Service Tax	21.92	01.10.2007 to 30.09.2010	25.05.2011
Income Tax Act	TDS	3.03	01.04.2010 to 30.09.2010	24.05.2011

Automatic Vehicle Counter-Cum Classifier System

- (X) The company has no accumulated losses as at 31st March 2011 and it has not incurred any cash losses during the financial period ended on that date or in the immediately preceding financial year.
- (xi) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date, however Rs. 11.94 lacs was overdue as at 31.03.2011.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society.
- (xiv) In respect of shares, securities, debentures and other investments, dealt in or traded by the company, proper records have been maintained in respect of transactions and contracts, and timely entries have been made therein.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others, from banks or financial institutions during the year.
- (xvi) The Company has not obtained any term loans during the current year except for unsecured loans taken from Banks/financial institutions/other parties.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment and vice-versa.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the period except allotment of 2280778 bonus equity shares of Rs. 10/- each during the year.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- (xx) The company has not raised money by way of public issues during the period.
- (xxi) Based on the audit procedures performed and information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For **SNMG & CO.**
Chartered Accountants
(Firm No. 004921N)
Sd/-
(Neeraj Gupta)
Partner
(M. No. 087004)

Place : New Delhi
Dated : 30.05.2011

License Plate Recognition System

Balance Sheet as at 31st March, 2011

(Amount in Rs.)

PARTICULARS	SCHEDULE NO.	AS AT 31.03.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
SOURCE OF FUNDS			
Share Capital	1	91,231,110	68,423,330
Reserves & Surplus	2	234,762,979	209,818,709
Secured Loans	3	35,943,095	46,815,044
Unsecured Loans		23,464,831	19,306,426
Deferred Tax Liabilities		34,273,091	25,811,971
TOTAL		419,675,106	370,175,481
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	255,131,605	209,511,394
Capital Work in Progress		23,693,246	27,159,546
Less : Depreciation		96,249,112	78,557,502
Net Block		182,575,738	158,113,438
Investments			
Current Assets, Loans & Advances	5	1,444,636	1,444,636
Stock in Hand		16,681	364,102
Work in Progress	6	39,733,929	35,308,166
Cash & Bank Balances	7	435,039	1,196,826
Loans & Advances	8	47,801,397	58,917,173
Sundry Debtors	9	304,169,211	222,769,745
		392,156,257	318,556,012
Less : Current Liabilities & Provisions			
Liabilities	10	148,310,805	99,505,037
Provisions	11	13,728,530	8,433,568
		162,039,335	107,938,605
Net Current Assets		230,116,922	210,617,407
Miscellaneous Expenditure	12	5,537,810	0
(To the extent not written off or adjusted)			
TOTAL		419,675,106	370,175,481
Significant Accounting Policies and Notes on Accounts	16		

The Schedules referred to above and the notes to accounts thereon form an integral part of the Balance Sheet As per our Report of even date attached

For **SNMG & CO.**

Chartered Accountants

(Firm No. 004921N)

Sd/-

(NEERAJ GUPTA)

Partner

M.No. 87004

Place : New Delhi

Dated : 30.05.2011

For and on Behalf of Board of Directors

Sd/-

(RAKESH BHATIA)

Chairman cum Managing Director

Sd/-

(KUMAR PUSHKAR)

Company Secretary

Sd/-

(SANJAY KAPOOR)

Director

Sd/-

(RAJEEV AGARWAL)

Manager (Finance)

Parking Guidance System

Profit & Loss Account for the year ended 31st March, 2011

(Amount in Rs.)

PARTICULARS	SCHEDULE NO.	For the Year Ended 31.03.2011 (Rs.)	For the Year Ended 31.03.2010 (Rs.)
INCOME			
Income from Operations			
– I.T. Division		684,647,648	436,186,708
– Media & Entertainment Division		25,331,782	26,663,770
Profit on Sale of Assets		431,559	559,490
Increase/(Decrease) in Stock	13	(347,421)	261,902
TOTAL		710,063,567	463,671,870
EXPENDITURE			
Purchases		543,197,456	352,150,202
Project Expenses		20,418,949	9,105,500
Employees' Remuneration & Benefits	14	16,509,762	14,650,689
Administrative, Selling & Other Expenses	15	10,963,053	10,080,968
Legal Settlement Expenses		8,580,000	-
Financial Charges		7,519,683	9,127,594
Depreciation		34,279,837	27,659,328
Miscellaneous Expenses Written Off		123,500	-
TOTAL		641,592,241	422,774,281
Profit before Tax		68,471,326	40,897,589
Less: Provision for Taxation			
– Provision for Income Tax		13,728,530	8,433,568
– Provision for FBT		0	0
– Deferred Tax Liabilities		8,461,120	4,615,775
– Profit after Tax		46,281,676	27,848,246
Add: Excess Provision written back		1,470,375	(24,536)
Profit Available For Appropriation		47,752,051	-
Add : Balance as per Last Balance Sheet		88,034,143	60,210,434
Surplus Available		135,786,193	88,034,143
Amount Transferred to General Reserve		13,578,619	-
Surplus Carried Forward to Balance Sheet		122,207,574	88,034,143
		13,578,619	88,034,142
EPS		6.00	4.74
Significant Accounting Policies and Notes on Accounts	16		

The Schedules referred to above and the notes to accounts thereon form an integral part of the Profit & Loss Account As per our Report of even date attached

For **SNMG & CO.**

Chartered Accountants

(Firm No. 004921N)

Sd/-

(NEERAJ GUPTA)

Partner

M.No. 87004

Place : New Delhi

Dated : 30.05.2011

For and on Behalf of Board of Directors

Sd/-

(RAKESH BHATIA)

Chairman cum Managing Director

Sd/-

(KUMAR PUSHKAR)

Company Secretary

Sd/-

(SANJAY KAPOOR)

Director

Sd/-

(RAJEEV AGARWAL)

Manager (Finance)



Schedule annexed to and forming part of Accounts

(Amount in Rs.)

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
SCHEDULE '1' : SHARE CAPITAL		
Authorised		
165,00,000 Equity Shares of Rs. 10/- each (Previous Year 70,00,000 Equity Shares of Rs. 10/- each)	1,650,000,000	70,000,000
	1,650,000,000	70,000,000
Issued, Subscribed & Paid Up		
9123111 Equity Shares of Rs.10/- each fully paid (2280778 Bonus Shares Issued 1:3) (Previous Year 68,42,333 Equity Shares of Rs.10/- each fully paid)	91,231,110	68,423,330
TOTAL	91,231,110	68,423,330
SCHEDULE '2' : RESERVES & SURPLUS		
General Reserve		
Share Premium Account	21,369,715	7,791,096
Surplus Carried Forward	91,185,690	113,993,470
TOTAL	234,762,979	209,818,709
SCHEDULE '3' : SECURED LOANS		
Banks		
Working Capital *	30,015,139	40,437,203
Term Loans		
(Secured against hypothecation of Vehicles)	1,578,323	2,277,564
Other Loans		
– Secured against LIC Keyman Policy	1,049,633	800,277
– Secured against Quoted shares	3,300,000	3,300,000
TOTAL	35,943,095	46,815,044

*WORKING CAPITAL – FROM BANK

The Company has taken overdraft facilities in the nature of working capital facilities from Royal Bank of Scotland to the tune of Rs. 300 lacs.

The amount in excess of Rs. 300 lacs represents interest debited on 31st March (previous year Rs.404.37 lacs). The working capital limits are secured by hypothecation of entire current assets and movable fixed assets of the company.

The working capital facilities are further secured by equitable mortgage of two properties and personal guarantees of CMD & one Director of the company.

Toll Management System

SCHEDULE '4' : FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	As On 01.04.2010	Additions	Sales/ Adjustment	As On 31.3.2011	As On 01.04.2010	For the Year	Adjustment	As On 31.3.2011	W.D.V. 31.3.2011	W.D.V. 31.03.2010
Computer including Softwares	177,415,463	64,296,733	15,759,712	225,952,484	71,457,790	32,792,371	15,001,127	89,249,034	136,703,450	105,957,673
Furniture & Fixtures	8,316,632	1,562,600	3,091,240	6,787,992	2,345,793	416,142	1,418,647	1,343,288	5,444,704	5,970,839
Vehicles	7,493,613	0	0	7,493,613	2,701,706	612,987	0	3,314,693	4,178,920	4,791,907
Copy Right	3,500,000	0	0	3,500,000	0	0	0	0	3,500,000	3,500,000
Goodwill	5,000,000	0	0	5,000,000	0	0	0	0	5,000,000	5,000,000
Plant & Machinery	3,492,750	0	0	3,492,750	1,172,357	246,938	0	1,419,295	2,073,455	2,320,393
Office Equipment	2,827,935	76,830	0	2,904,765	719,712	203,090	0	922,802	1,981,963	2,108,223
Office Premises	1,465,000	0	1,465,000	0	160,144	8,309	168,453	0	0	1,304,856
Total	209,511,394	65,936,163	20,315,952	255,131,605	78,557,502	34,279,837	16,588,227	96,249,112	158,882,492	130,953,892
Previous Year	166,182,828	44,578,583	1,250,017	209,511,394	51,400,934	27,659,328	502,760	78,557,502	130,953,892	

(Amount in Rs.)

PARTICULARS	AS AT 31.03.2011 (Rs.)		AS AT 31.3.2010 (Rs.)	
	SCHEDULE '5' : INVESTMENTS			
Name of the Company	No. of Shares	Amount	No. of Shares	Amount
QUOTED (At Cost)				
(As taken, valued and certified by the management)				
BGIL Films & Technologies Limited	572,034	1444636	572,034	1444636
(Market Value of Quoted Share Rs. 7436442/-)		1444636		1444636
SCHEDULE '6' : WORK IN PROGRESS				
Media & Communications				
Opening Balance		33,687,468		33,606,934
Add : Amount spent during the year	5,194,010			80,534
Less: Trf.to P&L A/c after Completion of Project	2,644,010	2,550,000		0
		31,137,468		33,687,468
Softwares				
Opening Balance		1,620,698		1,040,498
Add : Amount spent during the year	24,750,702		9,685,700	
Less: Trf.to P & L A/c after Completion of Project	17,774,939	6,975,763	9,105,500	580,200
		8,596,461		1,620,698
Total		39,733,929		35,308,166

(Amount in Rs.)

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
SCHEDULE '7' : CASH AND BANK BALANCES		
Cash in hand	394,062	787,508
Balances with Scheduled Banks		
– In Current Accounts	40,977	409,318
TOTAL	435,039	1,196,826
SCHEDULE '8' : LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received	43,165,109	54,093,454
Tax Deducted at Source	3,352,875	3,881,903
Income Tax Refund Due	47,113	47,113
Security Deposits	1,236,300	894,703
TOTAL	47,801,397	58,917,173
SCHEDULE '9' : SUNDRY DEBTORS (Unsecured Considered Good)		
– exceeding Six Months	63,115,565	37,416,169
– Others	241,053,646	185,353,576
	304,169,211	222,769,745
SCHEDULE '10' : CURRENT LIABILITIES		
Sundry Creditors	124,905,224	82,136,938
TDS Payable	1,098,477	1,175,443
Service Tax Payable	1,806,345	8,955,314
Expenses Payable	5,530,452	3,594,676
Other Liabilities	14,970,307	3,642,665
	148,310,805	99,505,037
SCHEDULE '11' : PROVISIONS		
Provision for Income Tax	13,728,530	11,528,528
	13,728,530	11,528,528
SCHEDULE '12' : MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		
Public Issue Expenses	5,043,810	0
ROC Fees - Increase in Authorised Capital	617,500	
Less : Written off during the Period	123,500	0
	5,537,810	0

(Amount in Rs.)

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
SCHEDULE '13' : INCREASE (DECREASE) IN STOCK		
Closing Stock	16,681	364,102
Less : Opening Stock	364,102	102,200
	-347,421	261,902
SCHEDULE '14' : EMPLOYEES' REMUNERATION & BENEFITS		
Salaries, Benefits & Allowances	13,511,538	11,755,194
Director's Remuneration	2,340,000	2,340,000
Staff Welfare	658,224	555,495
	16,509,762	14,650,689
SCHEDULE '15' : ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Printing & Stationery	113,775	89,022
Repair & Maintenance Charges	310,704	290,078
Communication Expenses	887,636	800,809
Books & Periodicals	4,624	18,122
Business Promotion	204,832	323,982
Discount & Commission	34,845	168,563
Post Production/Job Work Expenses	11,930	84,862
Conveyance & Travelling Expenses	3,527,605	1,409,483
Electricity Exp.	969,441	1,512,491
Rent & Hire Charges	2,194,032	2,313,922
Rates & Taxes	516,933	49
Loss on Sale of Assets	0	97,257
Insurance Expenses	384,111	402,739
Legal & Professional Charges	426,956	541,072
Office Maintenance Expenses	389,043	940,949
Miscellaneous Expenses	28,952	30,495
ROC Fees	33,000	2,500
Audit Fee	100,000	100,000
Advertisement & Publicity	18,440	13,895
Watch & Ward Exp.	294,006	408,000
Vehicle Running & Maintenance	457,402	484,679
Fees & Subscription	54,787	48,000
	10,963,053	10,080,968

SCHEDULE '16' : SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis. The financial statements are prepared under the historical cost convention as a going concern, and are consistent with generally accepted accounting principles in India, and applicable accounting standards referred to in Section 211(3C) of the Companies Act, 1956.

2. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of the assets and liabilities (including current liabilities) as of the date of financial statements, the reported income & expenses during the reporting period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

3. Revenue Recognition

- a) Sales include sale of hardware & software products. Sales are recognized when products are supplied and are recorded net of sales return, rebates, trade discounts and VAT/central sales tax.
- b) Income from rendering of services is recognized based on agreements/arrangements on completed service contract method.
- c) Interest income is recognized on accrual basis.
- d) Dividends from investments are recognized in Profit and Loss A/c only when the right to receive the payment is established.

4. Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes taxes, duties, freight, installation expenses and other non-refundable incidental expenses related to acquisition. Gains or losses arising on disposal of fixed assets are recognized in the Profit & Loss Account.

5. Investment

Long term investments are valued at cost, less provision for diminution, other than temporary. Short term investments are valued at cost or market value, which is lower.

6. Depreciation

- a) Depreciation on fixed assets is provided on the straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- b) Depreciation is provided on pro-rata basis, with reference to the date of addition.

7. Inventory

- a) Finished goods are valued at cost or net realizable value, whichever is lower.
- b) Raw materials and stores & spares are valued at cost.
- c) Work in progress is valued at the cost incurred.
- d) The cost of inventories comprises all costs of purchase (including duties for which no credit/rebate is to be received), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Trade discounts, rebates, duty drawbacks and other similar items are deducted in determining the costs of purchase.
- e) The cost of inventories is arrived by using First-In-First-Out (FIFO) cost formula.

8. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, prior to the commencement of commercial production are capitalized as part of the cost of that asset. A qualifying asset is one which necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue.

9. Foreign Exchange Transaction

The reporting currency of the company is the Indian rupee. Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. Exchange differences that arise on settlement of monetary item or on reporting of monetary item at Balance Sheet date at the closing rate is recognized as income or expense in the period in which they arise.

10. Taxation

- a) Current Tax – Provision is made for Income Tax is determined as the amount of tax payable in respect of taxable income for the year after taking into account the allowances, disallowances and exemptions available under the Income Tax Act, 1961.
- b) Deferred Tax – Deferred tax is recognized on timing differences between the accounting income and the taxable income that originate in one period and are capable of reversal in one or more periods and qualified using the tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax asset is recognized and carried forward to the extent there is reasonable certainty that future taxable income will be available, against which such deferred tax asset can be realized.

11. Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

12. Intangible Assets

- a) Revenue expenditure on Research and Development is charged to Profit and Loss account in the year the expenditure is incurred.
- b) Capital expenditure during the development phase is recognized as an asset, only if in the opinion of the management, it is feasible to complete its production, it is intended to be used or sold, it will generate future economic benefits, there are adequate resources available for its completion and it is possible to measure the expenditure incurred on it.
- c) Intangible Assets are amortised over their useful life.

13. Miscellaneous Expenditure

Miscellaneous expenditure is amortized over a period of 5 years.

14. Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

NOTES TO ACCOUNTS

1. Estimated amount of contract remaining to be executed on capital account and not provided for Rs Nil (Previous Year Rs Nil)
2. Contingent Liabilities not provided for :
 - a. Guarantees given by the company : Rs. Nil (Pr. Year Nil)
 - b. Claims against the company not acknowledge as debts : Rs. Nil/- (Pr. Year 262500)
3. Quantitative information required to be given under paragraph 3, 4C and 4D of part-II of Schedule VI to the Companies Act, 1956.
 - a. Purchase and Sale

Particulars	Unit	Purchase Qty.	Sale Qty.
Computer Hardware & Parts	No.'s	28816	28816
Previous Yr.	No.'s	58910	58818
Computer Software's	No.'s	NIL	745
Previous Yr.	No.'s	NIL	565

13. Deferred Tax as on 31.03.2011 comprises of Deferred Tax Liability amounting Rs. 34273091/- (P.Y. 25811971/-) which has been calculated on account of accumulated losses and difference in Tax depreciation.

14. CIF value of Imports NIL (P.Y.NIL) NIL (P.Y.NIL)

15. Earning/Expenditure in Foreign Currency:

	Current Year (Rs.)	Previous Year (Rs.)
Earning in Foreign Currency:	NIL	Rs. NIL
Expenditure in Foreign Currency:		
Purchase of Hardware	1292240	Rs. NIL

16. There was no person employed by the company who was in receipt of remuneration, which in aggregate was not less than Rs. 24 lac per annum, if employed through-out the year or Rs. 2 lac p. m. if employed for a part of the year.

17. The company had obtained business/vehicle loans from Banks/ Financial Institutions, the repayment of some of which is not regular. An amount of Rs. 11.94 lacs is overdue as on 31.03.2011.

18. The Complete Service Tax which was payable as on 31.03.2011 along with interest has since been paid in full on 25.05.2011.

19. The Tax Deducted at Source (TDS), which was payable as on 31.03.2011 has since been paid in full on 24.05.2011.

20. Previous year figures have been regrouped/rearranged wherever considered necessary.

21. All known liabilities have been accounted for in books of account.

As per our Report of even date

For **SNMG & CO.**
Chartered Accountants
(Firm No. 004921N)
Sd/-
(NEERAJ GUPTA)
Partner
M.No. 87004

Place : New Delhi
Dated : 30.05.2011

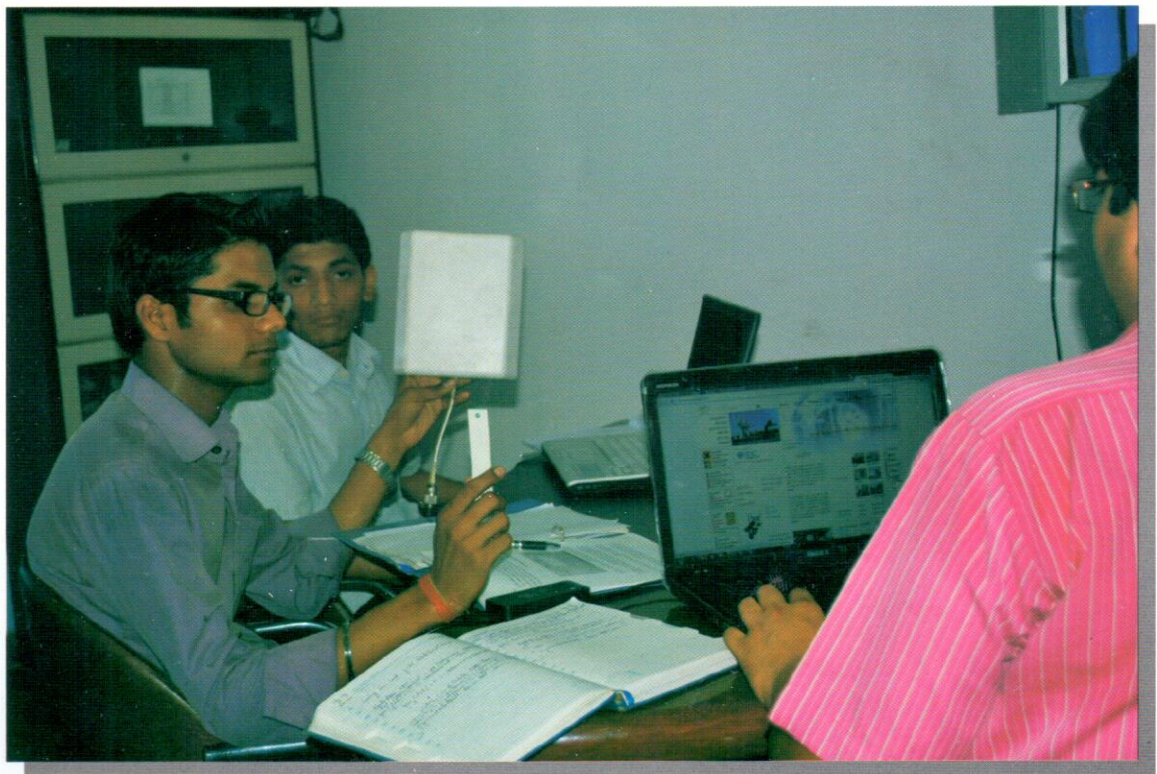
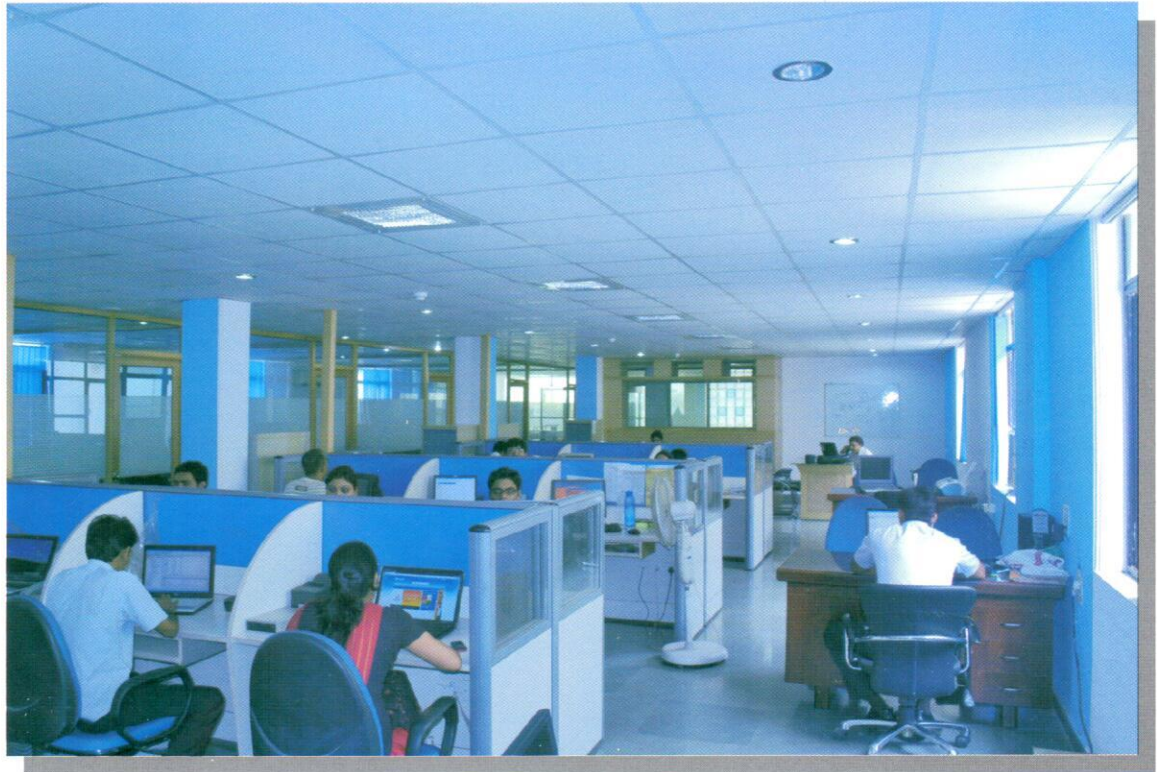
For and on Behalf of the Board of Directors

Sd/-
(RAKESH BHATHIA)
Chairman cum Managing Director

Sd/-
(KUMAR PUSHKAR)
Company Secretary

Sd/-
(SANJAY KAPOOR)
Director

Sd/-
(RAJEEV AGARWAL)
Manager (Finance)



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